

CONRAIL

8863
RECORDATION NO. Filed & Recorded

JUN 24 1977 -7 15 PM

RECORDATION NO. 8863 Filed & Recorded

INTERSTATE COMMERCE COMMISSION

JUN 24 1977 -7 15 PM

Date 6/24/77

Fee \$ 100.00

INTERSTATE COMMERCE COMMISSION

June 23, 1977

ICC Washington, D.C.

RECORDATION NO. 8863 Filed & Recorded

8863-A

Robert L. Oswald, Secretary
Interstate Commerce Commission
Washington, D.C. 20423

JUN 24 1977 -7 15 PM

RECORDATION NO. Filed & Recorded

INTERSTATE COMMERCE COMMISSION

JUN 24 1977 -7 15 PM

Dear Mr. Oswald:

INTERSTATE COMMERCE COMMISSION

Pursuant to Section 20c of the Interstate Commerce Act and as provided by Volume 49 Code of Federal Regulations Sections 1116.1 through 1116.4, we present the following documents, all dated as of April 15, 1977, for recordation:

- A) Interim Conditional Sale Agreement between General Motors Corporation and United States Trust Company, as Trustee, and

Interim Agreement and Assignment between General Motors Corporation, General Electric Credit Corporation and J.P. Morgan Interfunding Corp;

- B) Interim Lease of Railroad Equipment between Consolidated Rail Corporation and United States Trust Company, as Trustee, and

Interim Assignment of Lease and Agreement between United States Trust Company, as Trustee, General Electric Credit Corporation and J.P. Morgan Interfunding Corp.

The names and addresses of the parties to the documents are:

With respect to the documents described under A):

Vendor and Assignor

General Motors Corporation
(Electro-Motive Division)
LaGrange, Illinois

Purchaser United States Trust Company ✓
of New York, as Trustee
45 Wall Street
New York, New York 10005

Assignee J.P. Morgan Interfunding Co. ✓
37 Wall Street
New York, New York 10005

General Electric Credit Corporation
P.O. Box 8300
Stanford, Connecticut 06904

With respect to the documents described under B):

Lessor United States Trust Company ✓
of New York, as Trustee
45 Wall Street
New York, New York 10005

Lessee Consolidated Rail Corporation ✓
1310 Six Penn Center Plaza
Philadelphia, Pa. 19104

Guarantor General Motors Corporation and
General Electric Corporation

The equipment covered by the documents are:

Type	AAR Mechanical Designation	No. of Units	Marked*	Numbers (Inclusive)
3000 HP Model U23-B diesel- electric locomotive	CC	10	Conrail	2789-2798
3000 HP Model SD40-2 diesel- electric locomotive	CC	18	Conrail	6390-6407

Wrong #s
see doc.

*Each unit will have marked thereon the following legend:
"Ownership subject to a Security Agreement filed
under the Interstate Commerce Act, Section 20c".

Conditional Sale

Robert L. Oswald, Secretary
June 23, 1977
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<u>Type</u>	<u>AAR Mechanical Designation</u>	<u>No. of Units</u>	<u>Marked*</u>	<u>Numbers (Inclusive)</u>
2000 HP Model GP38-2 diesel- electric locomotive	BB	8.	Conrail	8173-8180

Two of our checks, in the amount of \$50.00 each, are enclosed to cover the recordation fees.

These documents have not been previously recorded with the Interstate Commerce Commission.

After retaining one counterpart original of the documents please return the remaining copy, stamped with your recordation number, to Consolidated Rail Corporation, Room 1138, Six Penn Center Plaza, Philadelphia, Pennsylvania, 19104, in the custody of the individual presenting them for recordation.

Sincerely,



A. Carl Kaseman, III
Senior Tax & Finance Counsel

ACKIII/cmm

*Each unit will have marked thereon the following legend:
"Ownership subject to a ~~Security~~ Agreement filed
under the Interstate Commerce Act, Section 20c".

Conditional Sale

REGISTRATION NO. 8863-1 Filed & Recorded

JUL 26 1977 9 40 AM

INTERSTATE COMMERCE COMMISSION

CHATTEL MORTGAGE dated as of April 15, 1977, from UNITED STATES TRUST COMPANY OF NEW YORK, as Trustee under a Trust Agreement (A) dated as of the date hereof (hereinafter in such capacity called Mortgagor A) with J. P. Morgan Interfunding Corp., and UNITED STATES TRUST COMPANY OF NEW YORK, as Trustee under a Trust Ageeement (B) dated as of the date hereof (hereinafter in such capacity called Mortgagor B) with J. P. Morgan Interfunding Corp. and General Electric Credit Corporation (J. P. Morgan Interfunding Corp. and General Electric Credit Corporation being hereinafter called the Beneficiaries), to MELLON BANK, N.A., as Agent (hereinafter called the Mortgagee) under a Participation Agreement dated as of the date hereof (hereinafter called the Participation Agreement) among the Mortgagee, Consolidated Rail Corporation (hereinafter called the Lessee), Mortgagor A, Mortgagor B, the Beneficiaries and the parties named in Schedule A thereto (hereinafter called the Investors).

WHEREAS Mortgagor A has agreed to purchase certain units of railroad equipment pursuant to a Conditional Sale Agreement dated as of the date hereof with General Electric Company (hereinafter called Conditional Sale Agreement A-1) and a Conditional Sale Agreement dated as of the date hereof with General Motors Corporation (Electro-Motive Division) (hereinafter called Conditional Sale Agreement A-2), and Mortgagor B has agreed to purchase certain units of railroad equipment pursuant to a Conditional Sale Agreement dated as of the date hereof with General Motors Corporation (Electro-Motive Division) (hereinafter called Conditional Sale Agreement B; Conditional Sale Agreement A-1, Conditional Sale Agreement A-2 and Conditional Sale Agreement B being sometimes hereinafter collectively called the Conditional Sale Agreements and General Electric Company and General Motors Corporation (Electro-Motive Division) being hereinafter called the Builders);

WHEREAS the interests of the Builders in the Conditional Sale Agreements will be assigned to the respective Beneficiaries pursuant to certain Agreement and Assignments dated as of the date hereof (hereinafter called the Builder Assignments) and such interests will be reassigned by the Beneficiaries to the Agent pursuant to two Supplemental Assignments dated as of the date hereof (hereinafter called the CSA Assignments);

WHEREAS Mortgagor A and the Lessee are entering into a Lease of Railroad Equipment dated as of the date hereof, providing for the leasing by Mortgagor A to the Lessee of the units purchased by Mortgagor A under Conditional Sale Agreement A-1 and Conditional Sale Agreement A-2, and Mortgagor B and the Lessee are entering into a Lease of Railroad Equipment dated as of the date hereof, providing for the leasing by Mortgagor B to the Lessee of the units purchased by Mortgagor B under Conditional Sale Agreement B (such Leases of Railroad Equipment being hereinafter called the Leases);

WHEREAS Mortgagor A and Mortgagor B will assign the Leases to the Agent pursuant to two Assignment of Lease, Reassignment and Agreements dated as of the date hereof (hereinafter called the Lease Assignments) and the Lessee will consent to the Lease Assignments by executing two Consents and Agreements dated as of the date hereof;

WHEREAS, as an inducement to the Agent to enter into the CSA Assignments and to the Investors to invest in the Conditional Sale Indebtedness (as defined in the Conditional Sale Agreements) pursuant to which Mortgagor A and Mortgagor B are financing their purchase of units under the Conditional Sale Agreements, Mortgagor A has agreed to pledge the units purchased under Conditional Sale Agreement

A-1 and Conditional Sale Agreement A-2 as further security for the payment of the Conditional Sale Indebtedness and interest thereon under Conditional Sale Agreement B, and Mortgagor B has agreed to pledge the units purchased under Conditional Sale Agreement B as further security for the payment of the Conditional Sale Indebtedness and interest thereon under Conditional Sale Agreement A-1 and Conditional Sale Agreement A-2; and

WHEREAS the Builders will guarantee to the Agent, Mortgagor A and Mortgagor B certain obligations under the Leases and the Conditional Sale Agreements pursuant to three Guaranty Agreements dated as of the date hereof;

NOW, THEREFORE, the parties hereto agree as follows:

Mortgagor A and Mortgagor B, for and in consideration of Ten Dollars (\$10), the receipt and sufficiency of which by each is hereby acknowledged, and of the debts and other matters hereinafter mentioned, and in consideration of the execution and delivery of the Conditional Sale Agreements, the CSA Assignments, the Lease Assignments and the Participation Agreement, do hereby grant, sell, mortgage and convey unto the Mortgagee, its successors and assigns, the units of railroad equipment listed in the attached Schedule A hereto which bear the car numbers of the Lessee as set forth in said Schedule A and which are now or hereafter shall be

owned by Mortgagor A or Mortgagor B and which are now or hereafter shall be leased by either of them to the Lessee under either of the Leases, together with all accessories, parts, improvements and equipment owned by Mortgagor A or Mortgagor B now or hereafter affixed to any of such units (all such units being hereinafter called the Units);

TO HAVE AND TO HOLD the Units unto the Mortgagee, its successors and assigns, to its and their sole use forever;

PROVIDED that each of the Units is granted, mortgaged, sold and conveyed hereunder by Mortgagor A or Mortgagor B, as the case may be, to the Mortgagee as security for the performance by Mortgagor A and Mortgagor B of all the obligations of either of them to pay the aggregate Conditional Sale Indebtedness and interest thereon under the Conditional Sale Agreements (regardless of whether any part of such aggregate Conditional Sale Indebtedness or interest was incurred by Mortgagor A or Mortgagor B) and any and all other sums from time to time owing by either of them in accordance with the terms and provisions of any of the Conditional Sale Agreements (all such obligations being hereinafter called the Liabilities);

AND PROVIDED FURTHER that, if Mortgagor A or Mortgagor B or both of them or their respective successors and assigns shall pay to the Mortgagee, or its successors or

assigns, or perform, all the Liabilities, then this Chattel Mortgage shall be void; otherwise this Chattel Mortgage shall remain in full force and effect.

Each of Mortgagor A and Mortgagor B hereby respectively represents and warrants to the Agent that the Units owned or to be owned by such Mortgagor are and will be free and clear of all claims, liens and encumbrances by or in favor of any person claiming by, through or under such Mortgagor, except by or in favor of the Lessee pursuant to the Leases, the Mortgagee pursuant to the CSA Assignments and the Mortgagee pursuant to this Chattel Mortgage.

Mortgagor A and Mortgagor B hereby covenant and agree that, if there shall occur and be continuing an event of default (as that term is defined in any of the Conditional Sale Agreements), then, and in any such event, the Mortgagee, or its successors or assigns, shall thereupon have the right (as against Mortgagor A and Mortgagor B, their successors and assigns, and to the extent Mortgagor A or Mortgagor B, or the successors or assigns of either of them, may have such right) to take immediate possession of the Units, or any portion thereof, and for that purpose may pursue the same wherever any of the Units may be found and may enter any of the premises of the Lessee or of either Mortgagor wherever any of the Units may be located, and the Mortgagee

shall have the right to take possession of the Units or any of them, and keep and store the same until sold, or remove and sell and dispose of the same at public or private sale to the extent permitted by law, at one or more sales, as an entirety or in parcels, or in lieu of or in addition to exercising the power of sale hereinabove given, to proceed by a suit or suits in equity or at law, whether for the specific performance of any covenant or agreement herein contained or in aid of the execution of any power herein granted, or for any foreclosure hereunder, or for the sale of the Units or any of them under the judgment or decree of any court or courts of competent jurisdiction. To the full extent that such Mortgagor may lawfully so do, each of Mortgagor A and Mortgagor B agrees that it will not at any time claim the benefit of any stay, extension, appraisal, redemption or similar law now or hereafter in force.

The Mortgagee shall not be required to exercise any of its rights or remedies under any of the Conditional Sale Agreements prior to exercising its rights hereunder in respect of any of the Units, regardless of whether such Units are owned by Mortgagor A or Mortgagor B.

The Mortgagee shall be entitled to reimbursement from the proceeds of any such sale or foreclosure for all costs and charges incurred by it or its agents or attorneys

in taking, removing, keeping, maintaining, storing and selling the Units, including any and all attorneys' fees and other costs and expenses incurred in connection with any such foreclosure or sale. Any surplus remaining after reimbursement for such costs and expenses and after payment of the Liabilities shall be paid to Mortgagor A or Mortgagor B, as their interests may appear.

All rights and remedies of the Mortgagee hereunder are cumulative, and no delay on the part of the Mortgagee in the exercise of any such right or remedy shall operate as a waiver thereof, and no single or partial exercise by the Mortgagee of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy.

Except as expressly set forth in any of the Participation Agreement, the Leases, the Lease Assignments, the Conditional Sale Agreements or this Chattel Mortgage, neither of Mortgagor A and Mortgagor B has made any representations or warranties to the Mortgagee or the Investors with respect to the transactions contemplated hereby and none shall be implied.

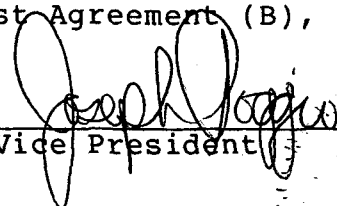
This Chattel Mortgage shall be governed by the laws of the State of New York, but the parties shall be

entitled to the benefits conferred by Section 20c of the Interstate Commerce Act and such additional rights arising out of the filing, recording or deposit hereof, if any, as shall be conferred by the laws of the several jurisdictions in which this Chattel Mortgage shall be filed, recorded or deposited.

IN WITNESS WHEREOF, the parties hereto have executed or caused this instrument to be executed all as of the date first above written.

UNITED STATES TRUST COMPANY OF
NEW YORK, as Trustee under Trust
Agreement (A) and as Trustee
under Trust Agreement (B),

by


Vice President

[Corporate Seal]

Attest:


Assistant Secretary

MELLON BANK, N.A.,

by


Vice President

[Corporate Seal]

Attest:


Assistant Secretary

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this 22nd day of July, 1977, before me personally appeared Joseph Possio, to me personally known, who, being by me duly sworn, says that he is an Asst. Vice President of UNITED STATES TRUST COMPANY OF NEW YORK, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Charles S. DePalma
Notary Public

[Notarial Seal]

My Commission expires

CHARLES S. DePALMA
Notary Public, State of New York
No. 31-5990695
Qualified in New York County
Commission Expires March 30, 1978

State of New York
~~COMMONWEALTH OF PENNSYLVANIA,~~)

COUNTY OF ~~ALLEGHENY,~~ *New York*) ss.:

On this *25th* day of *July* 1977, before me personally appeared *R. J. Donahue*, to me personally known, who, being by me duly sworn, says that he is a *Vice President* of MELLON BANK, N.A., that one of the seals affixed to the foregoing instrument is the corporate seal of said national bank, and that said instrument was signed and sealed on behalf of said national bank by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said national bank.

[Notarial Seal]

My Commission expires

Rose M. Hogan

Notary Public
ROSE M. HOGAN
Notary Public, State of New York
No. 31-4507270
Qualified in New York County
Commission Expires March 30, 1978

SCHEDULE A TO CHATTEL MORTGAGE

<u>Type</u>	<u>Builder</u>	<u>Quantity</u>	<u>Lessee's Identification Numbers (Both Inclusive)</u>
2,250 h.p. Model U23-B diesel-electric locomotive	General Electric Company	10	CR 2789-2798
3,000 h.p. Model C30-7 diesel-electric locomotive	General Electric Company	10	CR 6600-6609
2,250 h.p. Model B23-7 diesel-electric locomotive	General Electric Company	17	CR 2800-2816
3,000 h.p. Model GP40-2 diesel-electric locomotive	General Motors Corporation (Electro-Motive Division)	33	CR 3280-3312
3,000 h.p. Model SD40-2 diesel-electric locomotive	General Motors Corporation (Electro-Motive Division)	32	CR 6409-6440
2,000 h.p. Model GP38-2 diesel-electric locomotive	General Motors Corporation (Electro-Motive Division)	10	CR 8163-8172
3,000 h.p. Model SD40-2 diesel-electric locomotive	General Motors Corporation (Electro-Motive Division)	51	CR 6358-6408
2,000 h.p. Model GP38-2 diesel-electric locomotive	General Motors Corporation (Electro-Motive Division)	8	CR 8173-8180